



California Health Facilities Financing Authority (CHFFA)

Quarterly Newsletter
Winter 2014

*Providing low-cost financial
assistance to public hospitals
and private, nonprofit health
care providers in California*

CHFFA News

Investment in Mental Health Wellness Grant Program (IMHWGP) Update:

CHFFA's newest grant program, the Investment in Mental Health Wellness Grant Program, is under way. The application deadline was January 22, 2014. CHFFA received a total of 33 applications from 37 applicants to potentially serve 42 counties. The total amount requested is approximately \$111.7m in Capital Funding and approximately \$14.5m in Personnel Funding. CHFFA staff is currently evaluating and scoring the applications and will present recommendations to the board at an upcoming board meeting. Please sign up for automatic notifications if you would like to be apprised of developments with this program at our [website](#).

California Health Access Model Program (CHAMP) Update:

The CHFFA board approved a grant for the San Francisco Health Plan (SF Health Plan) in the amount of \$1.5 million to expand and evaluate an existing pilot program for high risk, high cost patients to improve their health outcomes and experience of care as well as to lower costs.

SF Health Plan's Community Based Care Management pilot program known as "CareSupport" serves vulnerable SF Health Plan members who are high utilizers of hospital inpatient and emergency departments and at extremely high risk for mortality and morbidity due to factors such as housing instability, mental illness, and addiction. This grant will allow it to expand its existing pilot to serve an additional 300 high risk, high utilizing members and to more rigorously evaluate the impact on clinical outcomes, member experience and costs through comparison with a control group. The grant will help develop materials to support replication of the model by other public and non profit Medi Cal managed care plans in California.

If the SF Health Plan demonstration project proves successful, CHFFA will launch a second phase to support additional grants up to a combined total of \$5 million so other California communities can implement the same improved ways of delivering services.

CHFFA Team Update:

We welcome Devon King from the Executive Fellows program of the California State University of Sacramento, who will be assisting staff with the new Investment in Mental Health Wellness Grant Program.

CHFFA Board Members



Bill Lockyer
State Treasurer
and Chair



John Chiang
State Controller



Michael Cohen
Director of
Finance



Judith Frank



Jay Hansen



**Ann Madden
Rice**



**Oscar Sablan,
M.D.**



Jack Buckhorn



Samuel Qiu

Featured CHFFA Board Member Jay Hansen

Mr. Jay Hansen has been a CHFFA board member for almost a year and a half. He received his undergraduate degree from Occidental College and his Master's degree in Public Administration from the University of Southern California. Mr. Hansen endeavored to become a CHFFA board member because it compliments his background experience and allows him to utilize his medical field experience through the California Medical Association ("CMA"), his construction experience through the State Building and Construction Trade Council, and his legislative experience as Special Assistant to four different Speakers of the California State Assembly. Mr. Hansen serves in other leadership positions, including on the board of the Sacramento City Unified School District, the Occidental College Board of Governors, and the Advisory Council for the University of Southern California Sacramento Center. In his current position with CMA, he regularly tours hospitals and medical schools where he has the opportunity to meet with doctors, medical students, patients and staff, giving him a well-rounded view of the provision of healthcare. As a CHFFA board member, Mr. Hansen enjoys helping support innovative care models and the opportunity to "confront, up-close, the currently unsustainable increase in medical costs." With his busy schedule and his high involvement, Mr. Hansen finds time to enjoy bike-riding, golfing, and walking. He's a gardening enthusiast and an avid traveler. He is a member of a local co-op community garden where he plants a small piece of land and utilizes shared resources and community expertise. He loves to travel the world. He has explored several countries including Colombia, Panama, Costa Rica, Thailand, Turkey, Republic of Georgia, Spain, and Italy. Next, he would like to explore various countries in South America such as Chile, Peru, and Argentina.

CHFFA Recent Financings

Memorial Health Services ("MHS") was recently approved by the board for \$100 million in tax exempt bonds to be used to reimburse MHS for spending that has occurred or will occur for building and land acquisitions, a parking structure, tenant improvements, and exterior upgrades at one site, land and parking lot improvements at another site, and purchase of hospital equipment for use at various facilities. *Paul Dulai*

Operation Samahan ("OS") was recently approved by the board for a HELP II loan in the amount of \$222,000 to finance the renovation of an existing facility to accommodate a growing number of prenatal patients and to increase capacity for its intended pediatric care program by increasing the number of medical exam rooms from three to seven. In addition, OS plans to use some of the loan proceeds to equip the remodeled space. *Bianca Smith*

Ukiah Valley Association for Habilitation ("UVAH") was recently approved by the board for a HELP II loan in the amount of \$500,000 to refinance two existing loans, renovate three existing facilities, and install solar arrays at two existing facilities. The refinancing will lower and eliminate variable interest rate risks plus eliminate a large balloon payment. The estimated interest savings from refinancing will be approximately \$9,000 per year, and the renovations will improve the safety of the buildings and enhance environments for clients with developmental disabilities. The solar arrays will provide an annual savings of approximately \$7,500 in its utility bill. *Carolyn Aboubechara*

Health Care News Summary

*Prepared by Bianca Smith
February 14, 2014*

Kaiser breaks ground on new hospital
U T San Diego *Paul Sisson*

On Wednesday February 12, 2014, Kaiser Permanente broke ground on a \$900 million, 450 bed hospital in San Diego the health system's second hospital in San Diego and the first it has built in 40 years. The hospital will open with 321 beds, with the potential to increase by 129 additional beds depending on demand. The seven story facility will offer single patient rooms, video conferencing equipment, gardens and a walking trail, but officials have not yet specified what medical equipment will be included. Kaiser is planning to apply for gold certification under the Leadership in Energy & Environmental Design program, and in order to earn that certification, the building will use energy efficient heating and cooling systems, low voltage LED lighting throughout and a solar panel system on its parking garage. The grand opening of this new facility is expected in early 2017.

CHFFA Staff with Treasurer Bill Lockyer



Stem Cell News Summary

*Prepared by Brock Lewis
February 10, 2014*

Skin cells reprogrammed into insulin producing pancreas cells; an important step towards a cure for type 1 diabetes
Medical News Today

Scientists at the Gladstone Institutes have developed a technique in animal models that can replenish the cells destroyed by type 1 diabetes. Type 1 diabetes is caused by the destruction of β cells, a type of cell that normally resides in the pancreas and produces the hormone insulin. Without insulin, the body's organs have difficulty absorbing sugars from the blood. The researchers have now looked towards stem cell technology as a way to replace the missing β cells. The team's findings are an important step towards freeing an entire generation of patients from the life long injections that accompany this devastating disease.

Featured CHFFA Employee Michael Tang

Michael Tang has been an Associate Treasury Program Officer with CHFFA for the past three years providing tax-exempt bond and loan financing to public and nonprofit health care providers. Prior to joining CHFFA, Michael worked as an Associate Budget Analyst for four years with the Department of General Services, providing budgetary planning and consultative services to Information Technology, Legal, Administrative Hearing, and the Environmental Services divisions. Mr. Tang received a Bachelor's Degree of Science in Managerial Economics from UC Davis and is currently a student at the UC Davis Graduate School of Management seeking an MBA degree with an emphasis in Finance and Business Analytics. Mr. Tang comes from a huge family and has five siblings. In his spare time, Mr. Tang enjoys playing basketball and tennis. As a Sacramento native and avid Kings fan, he enjoys going to Kings games to cheer on the home team. He also has a passion for photography and videography. He loves to travel and has explored 12 different countries while visiting Europe. Next, he would like to take a trip to Asia.

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